

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC. , *et al.*,

Debtor.<sup>1</sup>

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

**Related D.I. Nos. 1923 & 2028**

**ORDER APPROVING STIPULATION RESOLVING LIMITED  
OBJECTION OF BEACON PLAZA, LLC TO ASSUMPTION AND  
ASSIGNMENT OF LEASE AND FIFTH POST-CLOSING DESIGNATION NOTICE**

Upon consideration of the *Certification of Counsel Regarding Order Approving Stipulation Resolving the Limited Objection of Beacon Plaza, LLC to Assumption and Assignment of Lease and Fifth Post-Closing Designation Notice* (the “Certification of Counsel”) and the Stipulation between Beacon Plaza, LLC, the above-captioned Debtors, Variety Stores, LLC, and Gordon Brothers Retail Partners, LLC, a copy of which is attached to this Order as Exhibit 1 (the “Stipulation”); and the Court having jurisdiction over the matters raised in the Certification of Counsel and Stipulation, and the relief requested in the Certification of Counsel being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice having been provided, and it appearing that no other or further notice need be provided; and the Court having found and determined that the relief sought in the Certification of Counsel and Stipulation is in the best interest of the Debtors,

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<sup>1</sup> The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors’ corporate headquarters is 4900 E. DublinGranville Road, Columbus, OH 43081.

their estates, and all parties-in- interest, and just cause exists for the relief granted herein; IT IS  
HEREBY ORDER THAT:

1. The Stipulation attached to this Order as Exhibit 1 is hereby APPROVED.
2. The Court shall retain jurisdiction to resolve any disputes arising from or related to this Order or Stipulation.
3. This Order and the Stipulation shall become effective and binding immediately upon entry of this Order notwithstanding anything in the Federal Rules of Bankruptcy Procedure, or any other rules of procedures, that may be interpreted to the contrary.

**Exhibit 1**

Stipulation

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC. , *et al.*,

Debtor.<sup>1</sup>

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

**STIPULATION RESOLVING LIMITED OBJECTION OF BEACON  
PLAZA, LLC TO ASSUMPTION AND ASSIGNMENT OF LEASE  
AND FIFTH POST-CLOSING DESIGNATION NOTICE**

Beacon Plaza, LLC (“Beacon” or “Landlord”), Big Lots Stores, LLC (“Big Lots”), Variety Stores, LLC (“Variety”), and Gordon Brothers Retail Partners, LLC (“GBRP” and with Beacon, Big Lots and Variety each a “Party” and together the “Parties”), through undersigned counsel, stipulate and agree as follows:

**RECITALS**

4. On October 14, 2022, Big Lots entered into the Lease with Avenue 12 Holdings, LP for the premises located in the shopping center known as Beacon Plaza, 225 South Tyndall Parkway, Panama City, Florida 32404 (the “Premises”) and identified by the Debtor as Store Number 5490. The Lease was assigned to Beacon on February 29, 2024.

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<sup>1</sup> The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores - PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores - CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors’ corporate headquarters is 4900 E. DublinGranville Road, Columbus, OH 43081.

5. The Lease requires that the tenant thereunder pay annual rent, currently in the amount of \$250,125.00 annually, payable in monthly installments of \$20,843.75 (“Rent”), and also requires the tenant thereunder to reimburse the Landlord for utility charges, common area charges, and real estate taxes (“Additional Rent”).

6. Section 5.G of the Lease provides for the payment of a construction allowance (the “Construction Allowance”) to Big Lots by Landlord within 30 days of Big Lots opening for business on the Premises. Big Lots opened for business on the Premises on November 15, 2023.

7. On May 15, 2024, Big Lots commenced an action against Beacon in the United States District Court for the Northern District of Florida captioned *Big Lots Store, LLC. v. Beacon Plaza LLC*, Case No. 5:24-cv-00093-MCR-MJF (N.D. Fla.) (the “Florida Litigation”) seeking payment of the Construction Allowance. The Florida Litigation remains pending.

8. Since May 30, 2024, Beacon has credited the rent due under the Lease against the Construction Allowance.

9. On September 9, 2024, the Big Lots and several of its affiliates (collectively, the “Debtors”) filed petitions for relief under chapter 11 of the United State Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”) before the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”).

10. On January 2, 2025, the Bankruptcy Court entered the *Order (I) Approving the Asset Purchase Agreement, (II) Authorizing and Approving the Sale of Certain of the Debtors’ Assets Free and Clear of all Claims, Liens, Rights, Interests, Encumbrances, and Other Assumed Liabilities and Permitted Encumbrances, (III) Authorizing and Approving the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, and (IV) Granting Related Relief* [D.I. 1556] (the “Sale Order”), pursuant to which the Bankruptcy Court approved the sale

of substantially all of the assets of the Debtors to GBRP under the terms of an Asset Purchase Agreement (the “APA”) attached to the Sale Order.

11. Under the Sale Order and the APA, GBRP was provided with designation rights to designate leases of the Debtors to be assumed and assigned by the Debtors to a third party.

12. On February 3, 2025, the Debtors filed the *Notice of Filing of Fifth Post-Closing Designation Notice* [D.I. 1923] indicating that the Lease is to be assumed by Big Lots and assigned to Variety.

13. On February 20, 2025, Beacon filed its *Limited Objection of Beacon Plaza, LLC to Assumption and Assignment of Lease and Fifth Post-Closing Designation Notice* [D.I. 2028] (the “Objection”).

14. The Parties have negotiated in good faith to resolve the Objection, including negotiation regarding the terms of the proposed order authorizing the assumption of the Lease by Big Lots and assignment of the Lease to Variety (the “Order”).

#### **STIPULATION AND AGREEMENT**

In consideration for resolution of the Objection and other valuable consideration, the amount and sufficiency of which the Parties acknowledge, the Parties stipulate and agree as follows.

1. Construction Allowance Amount. Net of offsets of Rent and other amounts due under the Lease, the balance of the Construction Allowance as of March 21, 2025 was \$995,366.90 (the “Balance”). The Balance may be reduced by the amount of any Rent or Additional Rent arising under the Lease that is not timely paid following execution of this Stipulation.

2. Entitlement to Construction Allowance. Upon assignment of the Lease to Variety pursuant to the terms of the Order, as entered by the Bankruptcy Court, Variety will have the sole

and exclusive right to recover the Construction Allowance in an amount not to exceed the Balance. Following entry of the Order by the Bankruptcy Court, Big Lots and GBRP, on behalf of themselves and their successors, assigns and affiliates, waive any right to the Construction Allowance on any basis, at law or in equity.

3. Payment of Balance. The Balance of the Construction Allowance, subject to further offsets for Rent or Additional Rent coming due under the Lease following the execution of this Stipulation that is not timely paid, shall be paid to Variety within ninety (90) calendar days following entry of the Order by the Bankruptcy Court.

4. Failure of Assignment. If the Lease is not assigned to Variety, the rights of Beacon and Big Lots shall return to the status quo prior to execution of this Stipulation. Execution of this Stipulation by Beacon is not an admission of liability to Big Lots for the Construction Allowance. All rights and defenses of Beacon and Big Lots are preserved, including, but not limited to, the right to setoff under applicable non-bankruptcy law and 11 U.S.C. § 553.

5. Florida Litigation. Upon execution of this Stipulation, Big Lots will withdraw its pending motion for summary judgment in the Florida Litigation without prejudice. Within seven (7) days following execution of this Stipulation, Big Lots and Beacon will request that the Florida Litigation be stayed for a period of not less than 120 calendar days. Within seven (7) days following payment of the Balance (as may be adjusted) by Beacon to Variety, Big Lots and Beacon shall execute, and Big Lots shall file, a stipulation under Federal Rule of Civil Procedure 41(a)(1)(A)(ii) dismissing the Florida Litigation with prejudice. This Stipulation is admissible in the Florida Litigation solely for purposes of obtaining the stay and dismissal of the Florida Litigation as described herein. For the avoidance of doubt, the Florida Litigation will not be dismissed until Variety receives the full amount of the Balance, as may be reduced by the amount

of any Rent or Additional Rent arising under the Lease that is not timely paid following execution of this Stipulation.

6. Terms of Lease. Except as set forth in this Stipulation or as provided in the Order, the terms of the Lease shall remain in full force and effect upon assignment of the Lease to Variety.

7. Governing Law. The terms of this Stipulation shall be governed by Florida law without regard to choice of law principles.

8. Jurisdiction. Prior to the assignment of the Lease to Variety, the Bankruptcy Court shall have exclusive jurisdiction to interpret and enforce the terms of this Stipulation. Following assignment of the Lease jurisdiction over any dispute arising under this Stipulation shall be as set forth in the Lease.

9. Binding Effect. Any determination that this Stipulation is not binding on Big Lots following assignment of the Lease to Variety shall not excuse Beacon, Variety and GBRP from being bound by the terms of this Stipulation.

10. Authority. Undersigned counsel represent that they have actual authority to execution this Stipulation on behalf of their respective client.

Dated March 31, 2025

/s/ Nicholas J. Brannick

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Dated: March 31st, 2025  
Wilmington, Delaware

  
J. KATE STICKLES  
UNITED STATES BANKRUPTCY JUDGE